

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the
Commission's Own Motion into the Rates,
Operations, Practices, Services and Facilities of
Pacific Gas and Electric Company.

I. _____

ORDER INSTITUTING INVESTIGATION**Summary**

Pacific Gas and Electric Company (PG&E) is a public utility gas corporation. Pursuant to Public Utilities Code §§ 451 and 454, the Commission regulates PG&E's rates, operations, practices, services, and the reliability, safety and adequacy of PG&E's facilities. The manner and extent of such regulation over PG&E's gas transmission and gas storage operations is primarily decided in its gas transmission and storage (GT&S) proceeding.

On December 19, 2013, PG&E filed Application (A.) 13-12-012. PG&E requests that the Commission grant its application concerning the revenue requirement, cost allocation, and rate design of its GT&S services. PG&E requests a revenue requirement of \$1.286 billion for 2015, \$1.347 billion for 2016, and \$1.515 billion for 2017. PG&E requests that the new rates go into effect on January 1, 2015.

Timely protests and responses to PG&E's GT&S proceeding were filed by various parties, to which PG&E filed a reply. The issues that were raised in the protests and responses were discussed at the March 12, 2014 prehearing conference in A.13-12-012.

Scope of Commission Investigation

We hereby commence this companion Order Instituting Investigation (OII) to A.13-12-012, and consolidate this OII with A.13-12-012. The purpose of this OII is to allow the Commission to consider proposals other than PG&E's revenue requirement, cost allocation, and rate design of its GT&S operations and to enable the Commission to enter orders on matters for which the utility may not be the proponent. This companion OII will also allow parties the opportunity and forum to provide evidence on issues of interest, including safety related issues to the Commission. These issues may result in directives to PG&E that serve the public interest, and that result in just and reasonable rates, services, and facilities.

O R D E R**IT IS ORDERED** that:

1. This Order Instituting Investigation (OII) is commenced as a companion to, and shall be consolidated with, Application 13-12-012. The purpose of this OII is to take evidence and enter orders within the jurisdiction of the Commission in connection with Pacific Gas and Electric Company's (PG&E) revenue requirement, rates, operations, practices, services, and facilities for its gas transmission and storage operations. PG&E is the respondent utility to this OII.

2. Pacific Gas and Electric Company (PG&E) is hereby placed on notice that the Commission, for good cause, and to advance the public interest, may enter orders in this Order Instituting Investigation regarding matters beyond what PG&E requests in the companion consolidated proceeding of Application 13-12-012.

3. This Ordering Paragraph constitutes the scoping memo required by Rule 7.3 of the Commission's Rules of Practice and Procedure. This consolidated proceeding is categorized as ratesetting. There is a need for evidentiary hearings in the consolidated proceeding. The scope of this proceeding is set forth in the body of this Order Instituting Investigation, and the Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge (Scoping Ruling) that was issued in Application 13-12-012 on April 17, 2014. The schedule in this consolidated proceeding is set forth in the Scoping Ruling, and includes the prehearing conference that was held on March 12, 2014 in Application 13-12-012. Administrative Law Judge John S. Wong is the Presiding Officer in this proceeding.

4. The categorization of this Order Instituting Investigation as ratesetting may be appealed pursuant to Rule 7.6 of the Commission's Rules of Practice and Procedure.

5. The Executive Director shall cause a copy of this Order Instituting Investigation to be served on Pacific Gas and Electric Company, and on the service list in Application 13-12-012.

This order is effective today.

Dated _____, at San Francisco, California.